



DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

48 CFR Chapter 1

[Docket No. FAR-2022-0051, Sequence No. 6]

Federal Acquisition Regulation; Federal Acquisition

Circular 2023-01; Introduction

AGENCY: Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Summary presentation of final rules.

SUMMARY: This document summarizes the Federal Acquisition Regulation (FAR) rules agreed to by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) in this Federal Acquisition Circular (FAC) 2023-01. A companion document, the *Small Entity Compliance Guide* (SECG), follows this FAC.

DATES: For effective dates see the separate documents, which follow.

FOR FURTHER INFORMATION CONTACT: The analyst whose name appears in the table below in relation to the FAR case. For information pertaining to status or publication schedules, contact the Regulatory Secretariat Division at 202-501-4755 or GSARegSec@gsa.gov.

Rules Listed in FAC 2023-01

<i>Item</i>	<i>Subject</i>	<i>FAR Case</i>	<i>Analyst</i>
I	Updates to Title 10 Citations	2022-005	Moore
II	Effective Communication Between Government and Industry	2016-005	Jackson
III	United States-Mexico-Canada Agreement	2020-014	Jackson
IV	Technical Amendments		

ADDRESSES: The FAC, including the SECG, is available at <https://www.regulations.gov>.

SUPPLEMENTARY INFORMATION: Summaries for each FAR rule follow. For the actual revisions and/or amendments made by these FAR rules, refer to the specific item numbers and subjects set forth in the documents following these item summaries. FAC 2023-01 amends the FAR as follows:

Item I—Update to Title 10 Citations (FAR Case 2022-005)

This final rule amends the Federal Acquisition Regulation to update statutory references to Title 10 of the United States Code, which were revised by Title XVIII of the William M. (Mac) Thornberry National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2021 (Pub. L. 116-283), Transfer and Reorganization of Defense Acquisition Statutes, and Title XVII of the NDAA for FY 2022 (Pub. L. 117-81), Technical Amendments Related to the Transfer and Reorganization of Defense Acquisition Statutes. The final rule will not have a significant economic impact on a substantial number of small entities

because it simply updates statutory references in existing regulations.

Item II—Effective Communication between Government and Industry (FAR Case 2016-005)

This final rule amends the FAR to implement section 887 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2016 (Public Law 114-92). This rule clarifies that agency acquisition personnel are permitted and encouraged to engage in responsible and constructive exchanges with industry, so long as those exchanges are consistent with existing laws and regulations, and do not promote an unfair competitive advantage to particular firms.

DoD, GSA, and NASA do not expect this final rule to have a significant economic impact on a substantial number of small entities. Any effect to small businesses should be positive. Small businesses will benefit from better communication with the Government.

Item III—United States-Mexico-Canada Agreement (FAR Case 2020-014)

This final rule implements the United States-Mexico-Canada Agreement Implementation Act (Pub. L. 116-113). The rule makes changes in the FAR to conform to Chapter 13 of the United States-Mexico-Canada Agreement (USMCA), which sets forth certain obligations between the United States and Mexico with respect to Government procurement of goods

and services, as specified in Annex 13-A of the USMCA. Chapter 13 of the USMCA applies only between Mexico and the United States and does not cover Canada. Although Canada is still a designated country under the World Trade Organization Government Procurement Agreement, Canada is no longer a Free Trade Agreement country. Therefore, references to Canada as a Free Trade Agreement country in the FAR are deleted, including the \$25,000 threshold. DoD, GSA, and NASA do not expect this rule to have a significant economic impact on a substantial number of small entities. The effect on contracting officers is expected to be minimal as they will continue to apply the rule implementing the USMCA to contracts to which the North American Free Trade Agreement (NAFTA) applied, at the higher threshold for Mexico.

Item IV—Technical Amendments

Administrative changes are made at FAR 17.701, and 53.300.

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Federal Acquisition Circular (FAC) 2023-01 is issued under the authority of the Secretary of Defense, the Administrator of General Services, and the Administrator of National Aeronautics and Space Administration.

Unless otherwise specified, all Federal Acquisition Regulation (FAR) and other directive material contained in FAC 2023-01 is effective **[insert date of publication in the *Federal Register*]** except for Items I through IV, which are effective December 30, 2022.

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